

**SECRETARY'S ENVIRONMENTAL ASSESSMENT REPORT
FOR A COASTAL ZONE ACT PERMIT APPLICATION**

Re: Oceanport, LLC

October 2010

Introduction

As required by the "Regulations Governing Delaware's Coastal Zone" (Section 8.3.4) dated May 11, 1999, and amended October 1, 2001, the Secretary is required to make an environmental assessment of the impact(s) of the project on the Coastal Zone of Delaware. This is done by evaluating the project's likely impact on the statutory criteria and making a preliminary determination of the sufficiency of the Offset Proposal. The following is such an environmental assessment of the proposed project described in an application for a Coastal Zone Act (CZA) Permit, received from Oceanport, LLC.

The fact that DNREC considers an application to be preliminarily, administratively complete does not constitute the Department's position as to whether the application should be approved or denied. That decision will not be made until after the public hearing. The purpose of the Secretary's written assessment is to assist the applicant and the public to focus on issues presented in the application. It constitutes an administrative determination that the application is sufficient to proceed to a public hearing. In addition, should the Department eventually issue the CZA Permit, it does not automatically guarantee the applicant will receive other required permits.

The Proposed Project

Oceanport is seeking a permit to offload and store potash (Muriate of Potash) at their existing facility located at 6200 Philadelphia Pike in Claymont. Under the Coastal Zone Act, the Oceanport facility is considered to be a "nonconforming use," meaning a use, whether of land or of a structure, which does not comply with the applicable use provisions of this chapter where such use was lawfully in existence and in active use prior to June 28, 1971 [Title 7, Delaware Code, Chapter 70, Coastal Zone Act, §7002 (b)]. The project would bring in potash from vessels by clam bucket; the potash would then be discharged into the pier hopper. The product is in dry, small pellet form. The product will either be stored in an existing storage tank modified to safely hold the product or some other storage vessel yet to be determined. No dust is expected to be present in the off loading and transport to the storage vessel. Initial delivery of the product is anticipated at approximately 7,000 tons. The product is used as a fertilizer.

Sufficiency Statement

This application for a CZA Permit, including supplemental information, has been reviewed by the Department to determine its completeness. After a thorough review of the company's application and file, the Department considers this application to be administratively complete and sufficient for proceeding to public hearing.

Environmental Assessment

There will be no new air emissions. There will be no new wastewater or storm water discharges. No water will be needed; therefore, water supply is not an issue. No solid or hazardous waste will be generated. There will be no impacts to habitat. No other adverse environmental impacts are anticipated.

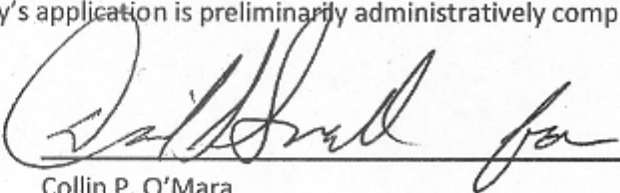
Offset Proposal

There should be no negative environmental impacts from this project; therefore, no environmental offset would be required.

Conclusion

The company's application is preliminarily administratively complete.

Approved: _____


Collin P. O'Mara
Secretary

Date: _____

10/26/10